

1 UNITED STATES BANKRUPTCY COURT

2 SOUTHERN DISTRICT OF NEW YORK

3 Case No. 23-22095-shl

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5 In the Matter of:

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7 RAHUL DEV MANCHANDA,

8

9 Debtor.

10 - - - - - x

11 United States Bankruptcy Court

12 300 Quarropas Street, Room 248

13 White Plains, NY 10601

14

15 March 16, 2023

16 2:13 PM

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21 B E F O R E :

22 HON SEAN H. LANE

23 U.S. BANKRUPTCY JUDGE

24

25 ECRO: ART

1 HEARING re Status Conference

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25 Transcribed by: Sonya Ledanski Hyde

1 A P P E A R A N C E S :

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23

24 ALSO PRESENT TELEPHONICALLY:

25 MIRIAM GLADDEN

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P R O C E E D I N G S

THE COURT: Good afternoon. This is Judge Sean Lane, in the United States Bankruptcy Court for the Southern District of New York. And we are here for a 2:00 in the Chapter 7 case, Rahul Dev Manchanda, Case Number 23-22095. And we'll start as we always do with appearances. So let me find out who is here for the Debtor in this Chapter 7?

MS. GLADDEN: Good afternoon. I called this morning. I'm calling from the law office of Rahul Manchanda.

THE COURT: All right. Are you a lawyer?

MS. GLADDEN: I am an attorney, but I have to tell you I just found out about this matter this morning when I called you.

THE COURT: Well, is Mr. -- I think the direction was to have the Debtor, Mr. Manchanda, here. Is Mr. Manchanda making an appearance?

MS. GLADDEN: I have no control over that, sir. And no, he's not here. He's not making an appearance. He asked me to sit on this call.

THE COURT: All right. Well, say you're sitting in essentially as an interested member of the public, essentially.

MS. GLADDEN: Say it again?

THE COURT: So, I will -- well, we'll get to it.

1 All right. I have your appearance. So let me get Mr.  
2 Bronson's appearance.

3 MR. BRONSON: Bruce Bronson, on behalf of the  
4 Debtor, I suppose, Your Honor.

5 THE COURT: All right. And the Chapter 7 Trustee?  
6 Oh, you're on mute.

7 MS. O'TOOLE: See that? I'm being warned.  
8 Marianne O'Toole, the Chapter 7 Trustee.

9 THE COURT: All right. And on behalf of the  
10 United States Trustee's office?

11 MR. ZIPES: Good afternoon, Your Honor. Greg  
12 Zipes, with the U.S. Trustee's office.

13 THE COURT: All right. Good afternoon. And any  
14 other appearances? All right. So this status conference  
15 was scheduled at my request for a number of reasons. And so  
16 let me sort of set the stage.

17 On the one hand, Mr. Manchanda, as the Debtor, has  
18 been sending an extensive amount of emails to chambers. And  
19 I think visual -- a picture's worth a thousand words. I  
20 think this is the stack of the emails that we've received.  
21 I think, if I'm counted correctly, there's some 19 emails  
22 that we've received. And email communications with chambers  
23 are not the norm. In fact, we didn't really have much of  
24 them at all, other than people submitting proposed orders.  
25 We had some modifications to that during COVID, but it's

1 never meant to be a substantive channel for communication  
2 with the Court. People are supposed to file things on the  
3 docket.

4 There's another point as to the emails, which is  
5 that they contain some wildly inappropriate information. I  
6 don't really know how else to say it. So, one of them  
7 contains Mr. Manchanda's communications back and forth with  
8 other people, complaining about his conflicts with the Chief  
9 Clerk and Chief Judge in New York Civil Courts. Another has  
10 his complaints about somebody who is some fee dispute  
11 committee chief. There's actually an expletive used to  
12 describe her.

13 And others are also inappropriate; perhaps not  
14 wildly inappropriate, but they include communications  
15 between Mr. Manchanda and Mr. Bronson about various things  
16 that are supposed to happen or not happen in the case, which  
17 of course are attorney-client communications.

18 So it will come as no surprise, I think, to the  
19 U.S. Trustee, to Mr. Bronson or Ms. O'Toole that I -- in  
20 light of this avalanche of information that's been submitted  
21 this way, that I'm going to order that... Well, let me ask,  
22 before I do.

23 One other thing that's a problem is Mr. Manchanda  
24 is sending these for the Debtor directly to chambers, when I  
25 understand Mr. Bronson is currently his counsel in this

1 Chapter 7 case. And so we can't communicate directly with  
2 somebody who is represented. That's how the ethical rules  
3 work. So that's another significant hurdle.

4 So the takeaway, which is that I'm going to -- I  
5 have to issue an order that requires that any communications  
6 Mr. Manchanda wants to make, or Mr. Manchanda's counsel  
7 wants to make with the Court, the Bankruptcy Court, need to  
8 be on the docket like everybody else, filed on the docket.  
9 There are rules about that. I understand Mr. Manchanda's an  
10 attorney, so I certainly would imagine he understands how  
11 that's supposed to work.

12 And certainly, in those communications I would  
13 certainly encourage him to avoid the kind of -- a lot of the  
14 kind of information that, frankly, is being submitted to me  
15 in these emails. And that becomes even more clear when  
16 there was something that was actually said to the Bankruptcy  
17 Court Clerk's office that was not filed. And it was filed  
18 by -- again, by Mr. Manchanda, who again is represented in  
19 this case. And there are a couple of these filings.

20 And one of them that is entitled, "Notice of  
21 Motion for Contempt Against Dennis (indiscernible) and Tory  
22 (indiscernible), and Paragraph 2 and 3 has -- I don't know  
23 what else to call it other than ethnic slurs that are  
24 contained. And so, because of that, when we received them  
25 the Clerk's office asked me whether they should be filed,

1 and I did not file them because they contained that kind of  
2 scandalous inappropriate -- wildly inappropriate  
3 information.

4 And so I can get into the details of this but,  
5 frankly, talking about insurance entities, motivated and  
6 pushed by mainly Jewish ethnic organized crime in New York  
7 City to try and essentially take actions against him.  
8 That's Paragraph 2.

9 Another talks about ethnic corruption, certain  
10 ethnic over-representation. And so things that are wildly  
11 inappropriate and, frankly, it was very hard to figure out  
12 where some or any of this had to do with the actual  
13 bankruptcy case.

14 So there's a couple of these that were sent to the  
15 Clerk's office but were not filed because they contained  
16 that kind of a problem. And they were all -- one was  
17 another notice of grievance that he's -- apparently he's  
18 filing with some other courts. And so they contain similar  
19 sort of ethnic slurs that I did not -- I directed the  
20 Clerk's office not file. I have them here, but I'm not  
21 going to put them on the docket.

22 So that's why I wanted Mr. Manchanda here to hear  
23 it directly from me as to what my concerns are. And  
24 frankly, it's astonishing that I would have these kind of  
25 concerns of somebody who's a lawyer who is a debtor. But



1       nonetheless, that's where we are.

2               So, I know Mr. Bronson has filed a motion to  
3       withdraw as counsel in the Chapter 7 case. That's on for  
4       April. We already had a hearing date for that. And that  
5       will go ahead as scheduled. But in the meantime, I'm going  
6       to enter an order that bars the submission of any email to  
7       chambers and directs that everything be put on the docket,  
8       filed on the docket. The Court reserves the Court's right  
9       to essentially strike something on the docket if it contains  
10      scandalous information (indiscernible) --

11              MR. BRONSON: Your Honor, you froze for a second,  
12      just as you were referencing my motion to withdraw as  
13      counsel.

14              THE COURT: Oh. All right.

15              MR. BRONSON: So I didn't hear what you said right  
16      after --

17              THE COURT: No, that's fine. Sorry. The hazards  
18      of the COVID era. So your motion is going to go ahead as  
19      scheduled. But in light of the kind of information we're  
20      receiving, I didn't want to wait until then to address these  
21      issues.

22              And so that's why I'm going to issue an order that  
23      bars the submission of emails by Mr. Manchanda directly to  
24      chambers, and he's going to do what everybody else does,  
25      which is file things on the docket of the Court in his case.

1 But they have to be about his case. And if they contain  
2 scandalous or defamatory information, they will be stricken,  
3 or when the Clerk's office comes to me with the inevitable  
4 question, should this be filed, Judge, I will say, no, I  
5 will hold onto it. So it will be part of the record but it  
6 won't be on the public docket.

7 So I would hope that Mr. Manchanda would be here  
8 to hear these kinds of concerns so that he can act  
9 accordingly, but he seems intent on not being here.

10 So, with that, I realize that since I called the  
11 conference, I thought it was only fair and incumbent upon me  
12 to sort of lay out why I did and where -- what issues I had  
13 -- led to the conference and what actions I'm going to take.  
14 And then I thought, the people who are here, I'm happy to  
15 canvass the room if anybody has any other concerns or other  
16 suggestions about ways to proceed.

17 So let me start -- Mr. Bronson, I know you have a  
18 motion to withdraw for a Chapter 7, so you may or may not  
19 have anything you want to add beyond that. But anything --  
20 I'll give you the opportunity, obviously.

21 MR. BRONSON: Well, Your Honor, you got 19 emails;  
22 I got 1,019 emails. I guess I need to limit, you know, what  
23 I'm saying here. But I think it's -- my problems with the -  
24 - I thought I could thread the needle and get this client to  
25 a discharge in the Chapter 7. And I think we were well on

1 the way to do that. But when --

2 THE COURT: Well, we're not going to deal with  
3 your motion to withdraw now, so --

4 MR. BRONSON: I know.

5 THE COURT: -- I just say that, just because I  
6 don't -- you know, you're obviously free to comment on it,  
7 but you're also free to wait until we have a hearing.

8 MR. BRONSON: My -- the only thing is, I cannot  
9 represent somebody that questions my ethics and my morality  
10 and makes the kind of statements that Mr. Manchanda made to  
11 me. And you know, that's -- I could -- again, at the net  
12 hearing, you know, maybe I'll go into more detail, maybe I  
13 won't.

14 But there's a plethora of -- he's put a grievance  
15 in on me. He's put a grievance in on Ms. O'Toole. Or at  
16 least I've seen copies of them. I think they've been filed.  
17 And the statements are ridiculous, Your Honor. And I just  
18 can't -- I can't represent somebody that isn't going to  
19 follow my advice. I did think I could get a difficult case  
20 like his to the finish line. And I'm sorry, I just can't --  
21 I can't do that in light of the statements he's made about  
22 me.

23 THE COURT: All right. All right. Well, we're  
24 going to keep your motion on. I'm trying to remember what  
25 date we had set in April. Is it April 6th?

1 MR. BRONSON: April 6th, Your Honor.

2 THE COURT: Okay. So we'll deal with that on  
3 April 6th. And to the extent that there's from Mr.  
4 Manchanda's office here, April 6th is the date. And so, Mr.  
5 Manchanda, I'm considering has more than ample notice of  
6 that. So (indiscernible) --

7 WOMAN 1: I will relay the information to him  
8 immediately. I understand.

9 THE COURT: All right. Thank you. So, with that,  
10 I'll turn to the Chapter 7 Trustee, Ms. O'Toole. And again,  
11 in each of these instances, people may have something they  
12 want to say, they may not. But I wanted to give you an  
13 opportunity. So let me hear from the Chapter 7 Trustee.

14 MS. O'TOOLE: Your Honor, I have nothing to add.  
15 I would only ask, could you ask the person on the phone to  
16 identify who she is by name?

17 THE COURT: That seems like a very fair request.

18 MS. GLADDEN: Hello.

19 THE COURT: Hello?

20 MS. GLADDEN: Yes. My name is Miriam Gladden, and  
21 I'm here from the Manchanda's office.

22 THE COURT: All right. Thank you very much.  
23 Anything else for the Chapter 7 Trustee?

24 MS. O'TOOLE: No, Your Honor.

25 THE COURT: All right. And last but not least,

1 Mr. Zipes, anything from the United States Trustee's office?

2 MR. ZIPES: Your Honor, Greg Zipes, with the U.S.  
3 Trustee's office. I wasn't sure what this conference was  
4 going to be and I understand the Court is entering an order.  
5 Can I make an unusual request and just adjourn this five  
6 minutes -- five minutes so I can confer internally and just  
7 --

8 THE COURT: Yeah. That would be fine. I realize  
9 people had no idea what I was going to say. And frankly, I  
10 had a busy couple weeks, so I didn't have a chance to draft  
11 an order, to set the schedule and explain what I was going  
12 to say. So that's fine. I'm happy to do that. So I'll --

13 MR. ZIPES: I may have --

14 THE COURT: I'll put myself on mute and you can do  
15 the same and then come back. That would be fine.

16 MR. ZIPES: It'll be no more than five minutes,  
17 and it may be that -- the order -- we may have an additional  
18 request. But, let me just --

19 THE COURT: Okay. That's fine. So we'll -- I'll  
20 hold on. I'm going to put myself on mute. And I'll unmute  
21 myself when you come back.

22 MR. ZIPES: Thank you.

23 (Recess)

24 THE COURT: All right. I see Mr. Zipes back on  
25 the Zoom. So, with that, I'll pass the virtual podium over

1 to him.

2 MR. ZIPES: Yes. Your Honor, thank you. My  
3 office is obviously alarmed if the Court is getting email  
4 correspondence. Pro se debtors every once in a while need  
5 to be educated and they have to be taught that parties are  
6 entitled to notice of these documents, but also in light of  
7 the way the Court is characterizing them.

8 So, what I'm struggling with a little bit is -- I  
9 think my office wants to see these documents, but it could  
10 be limited to any future documents. So the Debtor is now on  
11 notice at the moment, but if the Debtor continues with these  
12 filings with the Clerk's office, I think my office would  
13 want to see these, whatever is being filed. And --

14 THE COURT: So, perhaps we could do this. We  
15 could enter an order that prohibits the submission of things  
16 by email, gives sort of a counsel to the Debtor, who -- it's  
17 a matter of title, perhaps only, he's represented by Mr.  
18 Bronson, but it sounds like communications have irreparably  
19 broken down. So it gives him notice about submitting things  
20 and what kind of content is appropriate.

21 And the order could also reserve the U.S.  
22 Trustee's office right to request to see any and all  
23 documents submitted directly to the Court in the future,  
24 should the need arise and that request be appropriate. No  
25 problem with that.

1           MR. ZIPES: Thank you, Your Honor. And if we need  
2 to refine that, we would probably do it by application to  
3 the Court.

4           THE COURT: All right. And if you want, the other  
5 parts of that order are fairly straightforward, which is no  
6 file -- no submissions by email. If you want to -- if you  
7 want to draft the order so that you get the language in a  
8 way that's comfortable for your office, I'm happy to do  
9 that. Otherwise, we're happy to drafted in chambers.  
10 Whatever you prefer.

11           MR. ZIPES: Your Honor, I don't -- I think it's  
12 most appropriate for the Court to draft --

13           THE COURT: All right.

14           MR. ZIPES: -- the order.

15           THE COURT: That's fine. That's fine. All right.  
16 So, with that, I think the reason for this status conference  
17 being convened has been accomplished. And while we always  
18 hope that filings, new cases reach successful conclusions,  
19 there are certain rules of the road and they need to be  
20 followed.

21           So I'll get that order out and I expect I will see  
22 you all on April 6th. If there's any reason to chat about  
23 things before then, folks can request a conference, just on  
24 notice to all interested parties, and I'd be happy to do  
25 that if I can be of assistance. But otherwise, I'll see you

1 April 6th.

2 MR. ZIPES: Your Honor, I just want to apologize  
3 for not having a jacket. I'm traveling and I didn't bring  
4 one.

5 THE COURT: That's fine. You have a tie. And  
6 during COVID, there were quite a few appearances without a  
7 tie. And sometimes I was sitting in my daughter's bedroom,  
8 which I had made a makeshift work area, which was a bit of a  
9 disaster. And I (indiscernible) if I put on a tie and a  
10 robe, the least you could do is put on a tie.

11 MR. ZIPES: Yes.

12 THE COURT: So, no, it's perfectly fine. All  
13 good. If that's my big problem today, I have no problems at  
14 all. Thank you very much and have a good afternoon, all.  
15 And see you April 6th at (indiscernible). Thank you.

16 MS. GLADDEN: Thank you.

17 MAN 1: This guy was from the U.S. something, he  
18 was talking. He said it's only fair that we get our -- we  
19 get a copy of all those emails that were sent by Mr.  
20 Manchanda to the Clerk's office. The Judge said no problem  
21 (indiscernible).

22 WOMAN 1: He's from the U.S. what?

23 MAN 1: I think the U.S. Office something,  
24 trustees, or...?

25 WOMAN 1: Well, the Judge is going to send an



1 order out and the order is going to direct Manchanda not to  
2 contact chambers directly, not to email chambers --

3 MAN 1: Yeah.

4 WOMAN 1: -- to avoid using any inappropriate  
5 language --

6 MAN 1: To put everything on the docket.

7 WOMAN 1: Okay. Yes. So --

8 MAN 2: He's going to draft another order for this  
9 --?

10 WOMAN 1: This is not an order. This is a phone  
11 call.

12 MAN 2: Hmm?

13 WOMAN 1: This is just a conference call. He's  
14 going to draft an order saying that. I guess it'll be here  
15 in a couple of days.

16 MAN 1: Yeah. And he's --

17 WOMAN 1: Well, it'll be on the email. It'll be  
18 on the uploaded --

19 MAN 1: Right. And he's also going to like draft  
20 an order or something that allows this guy to have an access  
21 to those emails, because he wants a copy of them. The last  
22 guy he was talking --

23 WOMAN 1: Yeah, but what's the last guy going to  
24 do with them?

25 MAN 1: I don't know. He said it's -- remember

1     when he asked for five minutes? He said my office's  
2     requesting that it's only fair that we get a copy of all  
3     those emails that are being sent to the Clerk's office --

4             WOMAN 1: Is he from the Attorney Grievance  
5     Committee?

6             MAN 1: No, he said, I'm from the U.S. something.  
7     I didn't get it. U.S. something. Did you get it  
8     (indiscernible)? Get that name?

9             WOMAN 2: Please disconnect from the call.

10            (Whereupon these proceedings were concluded at  
11     2:38 PM)

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C E R T I F I C A T I O N

I, Sonya Ledanski Hyde, certified that the foregoing  
transcript is a true and accurate record of the proceedings.

A handwritten signature in cursive script that reads "Sonya M. Ledanski Hyde".

Sonya Ledanski Hyde

Veritext Legal Solutions

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Date: April 4, 2023